

### Remarks

Applicant respectfully traverses the Section 102(e) rejections over the Henn reference. Per Applicant's prior arguments, the Henn reference is readily distinguishable from Applicant's claimed invention. Applicant respectfully submits that the claimed invention is allowable over the cited references, but should the rejections for some reason be maintained, Applicant is entitled to a clear explanation pursuant to 35 U.S.C. § 132 and M.P.E.P. 707.07(f).

The Office Action dated March 15, 2007 indicated that claims 13 and 16-26 stand rejected under 35 U.S.C. § 102(e) over Henn (U.S. Pat. No. 5,770,844).

Applicant notes that claim 27 is also pending, as is consistent with the Response to Restriction Requirement filed on June 6, 2006 and as affirmed via telephone by the Examiner on September 15, 2006.

Applicant traverses all of the Section 102(e) rejections because the Henn reference is essentially unrelated to the claimed invention as a whole. The Henn reference is directed to transactions between the holder of a chip card and a transaction partner, for example a customer using a chip card to make a purchase from a merchant. *See, e.g.*, Abstract. In contrast, claim 13, for example, is directed to processing and auditing transactions between vendors, subvendors and merchant-offering providers related to services provided from the vendors and subvendors to consumers thru the merchant-offering providers. Accordingly, the Section 102 rejections are improper and Applicant requests that they be withdrawn.

Applicant traverses all of the Section 102(e) rejections based, *inter alia*, on the reasons previously presented in the Response dated 11/30/2006 which Applicant hereby incorporates by reference. The Examiner repeats the rejections from the previous Office Action and, while some arguments are presented in response to Applicant, the Examiner fails to adequately address Applicant's prior arguments. The M.P.E.P. dictates that the Examiner should take note of the applicant's arguments and answer the substance of them. *See* M.P.E.P. § 707.07(f). This is consistent with the purpose of aiding the applicant in judging the propriety of continuing the prosecution, as indicated in 37 C.F.R.

§ 1.104(a)(2) and 35 U.S.C. § 132. M.P.E.P. § 707.07(f) further urges that the Examiner state the reasons for his or her position (regarding Applicant's arguments) in the record.

In both the instant and previous Office Actions, there is no correspondence between the cited Henn reference and each of the claimed limitations. In rejecting all of the claims over the Henn reference, the Examiner simply recites claim 13 of the instant invention, and follows the recitation with a statement indicating (*see* Summary of the Invention, Col. 2: 40 –Col. 5: 54). No further explanation of the rejection is provided; the rejection offers no explanation as to which portions of the summary correspond to the different limitations in claim 13, and no explanation as to how the Henn reference corresponds to any limitations in the other pending claims 16-27. The Examiner fails to explain where the claimed limitations are taught in a manner consistent with 35 U.S.C. § 132. Without such explanation and showing, there is no correspondence between the cited reference and the claimed limitations and Applicant is thus unable to adequately respond to the rejections.

In the instant Office Action, the Examiner responded to Applicant's prior arguments by generally discussing teachings of the Henn reference that include a transaction provider data record that is used "to audit for accurate settlement of the transaction." However, the Examiner does not provide any cites to the Henn reference in relation to the transaction provider data record or any further elaboration regarding the alleged correspondence between the Henn reference and the various limitations of the claimed invention. As is discussed in detail below, the transaction provider data record of the Henn reference is generated at the time of a transaction and is specific to that transaction, which does not correspond to numerous claimed limitations (*e.g.*, providing an authorized profile list criterion). In view of the above, the Section 102 rejections are improper and cannot be maintained.

As was discussed in the Response dated 11/30/2006, the Henn reference appears to be directed to a chip card-based transaction involving the use of a chip card by a transaction provider (*e.g.*, consumer) at a transaction receiver (*e.g.*, merchant), with separate data provided to a third party (*e.g.*, bank) from each of the chip card and the transaction receiver. This separately-provided data is generated by the transaction receiver on a transaction-by-transaction basis, during the performance of a transaction,

and involves the generation of a transaction ID at the transaction receiver, which is provided to the transaction provider. In turn, the transaction provider and receiver each provide the generated data (*i.e.*, the transaction provider and the transaction receiver data records) to the third party for completion of the transaction. The third party receives and uses the transaction-specific data separately received from each of the transaction provider and receiver to approve the transaction to which the provided data applies. *See, e.g.*, Col. 3: 52-62 and Col. 4: 40 to Col. 5: 7 of the Henn reference.

In this regard, the Henn reference does not appear to disclose any subject matter relating to the claimed limitations including, for example, validating transactions involving services provided from a vendor and subvendor as processed by a merchant-offering provider. Moreover, the Henn reference does not disclose subject matter corresponding to the use of transaction information generated prior to processing, and to the use of data maintained relative to an authorized profile list criterion by a computer arrangement that further processes the transaction information by determining whether the transaction information satisfies the authorized profile list criterion. For instance, the Henn reference appears limited to a transaction approach that uses transaction-specific data that is generated *after* the transaction is initiated, and that must further include a transaction identifier that is generated by the transaction receiver (merchant) (*see, e.g.*, Col. 3: 25-27 and Col. 4: 42-47). Moreover, any auditing of transaction participants in the Henn reference uses information that must be transmitted during the execution of the transaction (*see, e.g.*, Col. 3: 53-62), which facilitates an object of the Henn reference directed to maintaining the anonymity of the transaction provider (purchaser) (*see, e.g.*, Col. 5: 19-25). Therefore, the Henn reference not only fails to correspond to the claimed limitations, it appears to teach away from the same. Accordingly, the Section 102 rejections are improper and Applicant requests that they be withdrawn.

Moreover, the Henn reference does not disclose subject matter corresponding to providing an authorized profile list criterion that includes information about authorized users empowered to authorize payment by the vendor. The Henn reference facilitates payment from a transaction provider (*i.e.*, a customer) to a transaction receiver (*i.e.*, a merchant using a chip card). The Henn reference does not maintain any information regarding users allowed to authorize payment by the customer, let alone information concerning authorized users empowered to authorize payment by a vendor as in the claimed invention. Therefore, the Section 102 rejections are improper and Applicant requests that they be withdrawn.

Applicant notes that a minor amendment has been made to claim 22 to correct a typographical error. This amendment is not being made to overcome the rejections raised by the Examiner, which fail for the reasons discussed above.

In view of the remarks above, Applicant believes that the rejections have been overcome and the application is in condition for allowance. Should there be any remaining issues that could be readily addressed over the telephone, the Examiner is encouraged to contact the undersigned at (651) 686-6633.

Respectfully submitted,

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